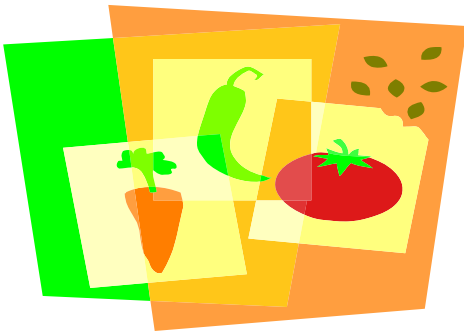


PROVISIONS



CHAPTER 23

PROVISIONS

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Provisions

(Special Assistance Alternatives for the National School Breakfast Program and National School Lunch Program)

This chapter discusses an alternative program called Provisions that Congress incorporated into Section 11(a)(1) of the National School Lunch Act.

Sponsors who choose to participate in Provisions 1, 2 and 3 for breakfast and/or lunch, provide free meals to students and reduce their paperwork. Most Provision sponsors in Idaho participate in free breakfast only.

Because Provision 2 is most common in Idaho, it will be explained and summarized in this chapter.

Regulations for all three Provision programs and detailed information are available on the USDA website under Guidance Materials www.fns.usda.gov/cnd/ and where it says "Search FNS" type in Provision and press GO.

To participate in a Provision program, you MUST begin your base year at the beginning of the school year; however, delaying implementation no LATER than the end of the first claiming period is an option. There are no pre-qualifications to participate in Provision 2; however, the State Agency strongly advises that your program operates efficiently.

Provision 2 Breakfast

- Provision 2 simplifies meal counting and claiming procedures for breakfast. It allows sponsors to establish breakfast claiming percentages and to serve student breakfasts at no charge for a 4 year period.
- During the first year, or base year, the sponsor makes eligibility determinations and takes meal counts by type. During the next 3 years, the sponsor makes no new eligibility determinations and counts only the total number of reimbursable breakfasts served each day. Reimbursement during these years is determined by applying the percentages of free, reduced price and paid breakfasts served during the base year to the total breakfast meal count for the claiming month. The base year is included as part of the 4 years.
- At the end of each 4 year period, the State Agency may approve a 4 year extension if the income level of the school's population remains stable.
- Sponsors electing this alternative must pay the difference between Federal reimbursement and the cost of providing all meals at no charge. The money to pay for this difference must be from sources other than Federal funds.
- Provision 2 can be stopped at any time.
- All records pertaining to the base year must be kept for as long as the sponsor is participating in Provision 2.

Provision 2 Breakfast and Lunch

- In addition to the benefits above, Provision 2 for both meals allows a reduction in paperwork by eliminating distribution and approval of free and reduced-price meal applications, verification, and cashier duties in the non-base years.

Getting the Base Year Percentages (using the Excel spreadsheet)

On the CNP website, under the NSLP tab, select Provision Program Information, then select Provision 2 Blank Worksheet-Breakfast or Lunch.

This Excel spreadsheet allows you to keep the information you are collecting on eligibility determinations. Collect the data monthly and plug the number into the spreadsheet. The percentages for the base year are determined for you. After the year is complete, use the Base Year Percentages numbers during the next three (3) years.

SUGGESTIONS FOR IDAHO'S PROVISION 2 FOR BREAKFAST

Studies show that providing a healthy breakfast for the students increases learning ability and decreases behavior problems in the classroom. Working with administration to promote good nutrition and linking breakfast to learning will include you as a team member in the student achievement process. This furthers the goal of wellness and education of the whole child.

To consider the Provision 2 breakfast plan, you need to have the support of the administration. You need to produce simple breakfasts without extra labor costs in the first year. In the second year, a cashier is not needed because only a total breakfast count is required. The cashier time can be used to produce the increased breakfast count you will have.

In the base year you are required to notify parents that you have free breakfast. It is recommended that you should not promote it heavily until your second year. In the second year and thereafter, the total breakfasts served are claimed at the same percentage of free, reduced and paid meal counts as in the base year.

Some suggestions for ways to make Provision 2 workable for you might include:

- Carefully plan your menu. Keep in mind food cost and nutritional requirements, especially calories and fiber.
- Using existing labor to prepare breakfast. Small breakfast programs with minimal prep or cooking do not require extra labor. Make as many menu items as possible self-serve. Pre-prep breakfast items the day before. One employee can serve and do Point of Service meal counts.
- Plan menus with 3 – 4 menu items. You can keep food costs down by implementing Offer vs. Serve. If you do not manage your food costs, you could lose money. You can use Enhanced Food Based Menu Planning at breakfast even if you plan menus at lunch under the Nutrient Menu Planning Method.
- Save time each day because there is no money to count, collect, and deposit for breakfast.
- In the base year, you still need to do the Point of Service (POS) counts by a student's name and eligibility. After the base year, the POS for Provision 2 consists of identifying a reimbursable meal and getting a total for meals served. Identification by student's name is not necessary. Some methods for getting the total meals after the base year would be collecting tokens/reusable tickets, or making hash marks on a daily meal count sheet.
- Put any breakfast payments you may receive from a child on their lunch account.

Breakfast Example Under Provision 2

Using 2005-06 Reimbursement Rates

100 Breakfasts Served

Here are two cost analyses for 50% and 65% free participation. Use your actual participation rates to create your own cost analysis. The purpose of this exercise is to project the dollars you would have and subtract the costs.

Below are two examples of cost analysis. By using your numbers in this example you will be able to decide if the provisions program is one that you should provide.

One example is considering a program with 50% free applications and the other example is considering a 65% free application program. **Please note that the reimbursement rates being used in this example are not current and if you try this example you will need to apply the current rates for the correct results.**

Example 1

<u>50% free</u> \$1.27 X 50	=	\$ 63.50
10% reduced \$0.97 X 10	=	9.70
40% Paid \$0.23 X 40	=	<u>9.20</u>
Total 100 breakfasts		\$ 82.40 total reimbursement
\$ 82.40 divided by 100 meals	=	\$.824 reimbursement per meal
		<u>-.60</u> average food cost
		\$.224 for labor or higher food cost per meal
		<u>X100 meals</u>
		\$ 22.40 per day for labor or higher food cost

Example 2

<u>65% free</u> \$1.27 X 65	=	\$ 82.55
10% reduced \$0.97 X 10	=	9.70
25% Paid \$0.23 X 25	=	<u>5.75</u>
Total		\$98.00 total reimbursement
\$ 98.00 divided by 100 meals	=	\$.98 reimbursement per meal
		<u>-.60</u> average food cost
		\$.38 for labor or higher food cost per meal
		<u>X100 meals</u>
		\$ 38.00 per day for labor or higher food cost

Another consideration is if your sites qualify for the Severe Need Breakfast Rate, you would add the rate for severe need breakfast to all free and reduced price breakfasts in the examples above.

Provision 2 would most likely be successful in a school with at least 50% of its students eligible for free meals.

Checklist to Implement Provision 2 Breakfast

Evaluation Timeframe

- _____ Discuss with your superintendent and receive approval to offer Provision 2 meals. Provision 2 can be stopped at any time.
- _____ Call the State Agency to update your CNP2000 site application with Provision 2 for breakfast and/or lunch for each site you want to operate as a Provision 2 site.

Year 1

- _____ Announce the free breakfast program in the August press release or parent newsletter. Keep a copy of this with the base year information.
- _____ Plan menus with simplified serving and preparation techniques and strive to keep food costs below \$.60 per meal.
- _____ You **MUST** begin your base year at the beginning of the school year. Delayed implementation is no **LATER** than the end of the first claiming period.
- _____ Serve all breakfasts free but count children in the free, reduced and paid category for the first year (base year).
- _____ During the base year, promote the breakfast program only if the percentage of free students served breakfast is less than the percentage of free students enrolled in school.
- _____ Store base year free and reduced applications, verification files and breakfast meal count sheets for as long as Provision 2 operates plus four years.
- _____ Post any breakfast pre-payments you may receive to the child's lunch account.
- _____ After the last breakfast serving day of the base year and before July 15, send in your Excel spreadsheet with the number of free, reduced and paid breakfasts served monthly at each site. An annual percentage will be figured for you. Use the Excel spreadsheet from the CNP website.

Year 2

- _____ After the base year, promote breakfast with breakfast at the door, breakfast choice bars, breakfast at recess, breakfast in the classroom. Make sure parents and teachers receive the message that breakfast is free and important.

Call the State Agency for more information at (208)332-6820.